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Subcommittee on Shipbuilding
of the
Economic Intelligence Committee

Annual Report FY 1966

A. Activities of the Subcommittee

1. Review of the Intelligence Product in the Subcommittee's
Field of Competence

While the Subcommittee produced no substantive reports during this fiscal year, the monthly meetings have become a major forum for the discussion of intelligence on shipbuilding, with particular emphasis on naval shipbuilding. The scope of the discussions is varied but is directed primarily toward national estimates. One of the principal factors in upgrading the role of the Subcommittee has been the opportunity to discuss intelligence at the all source level, and there has been strong support for the Subcommittee divided about equally between ONI, DIA and CIA, with more limited support from NSA.

2. Research and Collection Deficiencies

The Subcommittee concerns itself routinely with the Priority National Intelligence Objectives since the discussions during the meetings normally bear on the relevant PNIO's. Additionally, each member is provided with a copy of the quarterly revision to the PNIO's and attention is called to these revisions at the meetings.

3. Review of Substantive Papers

No substantive papers were submitted to the Subcommittee for formal review. There were, however, 44 studies and 12 briefs that were submitted for informal comment and review, of which 12 were submitted by DIA, 16 by ONI, 4 by NPIC and 24 by CIA.

4. Review of Proposals for External Research

Nothing to report.

5. Maintenance of Agreed Basic Statistics

The Subcommittee did not develop any agreed basic statistics during the year. In effect, however, the informal comments and review

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Excluded from automatic down-
grading and declassification.

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has established a body of statistics for which there is basic agreement. Furthermore, there is much greater definition of the area in which basic agreement is lacking.

6. Projects Undertaken at the Request of
the EIC or Proposed to the EIC

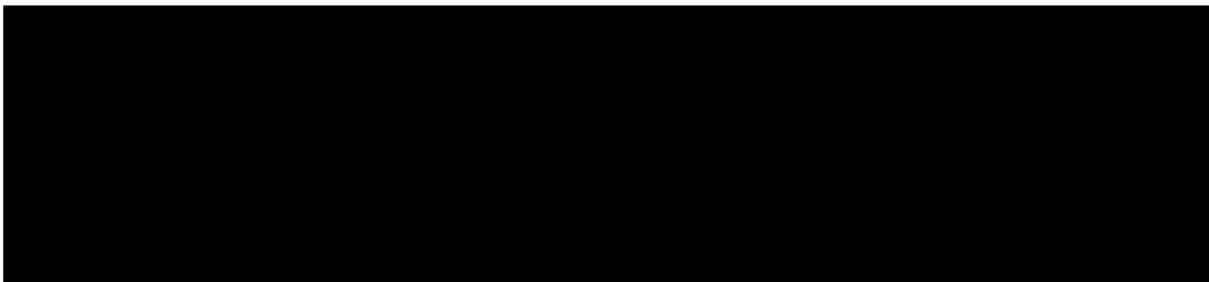
Nothing to report.

7. Intelligence Research Techniques

Two brief reports were made on the use of new photographic interpretation techniques that were used to refine or augment analysis obtained by the more unusual methods. One of these was the use of density traces to refine details of configuration of submarines, while the other was the use of computer techniques that were used to increase the accuracy of dimensional measurements under special circumstances.

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8. Special Coordination Functions of the Subcommittee



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9. Evaluation of the Role of the Subcommittee

The role of the Subcommittee has evolved over the past year into a body representative of most of the intelligence components concerned with naval and shipbuilding intelligence. Monthly meetings appear to have stabilized in terms of attendance and subject matter and have become increasingly important as a means of exchanging views concerning new and re-evaluated intelligence. About 45-50 persons usually attend the meetings, including senior naval officers as well as analysts. Discussions cover a broad spectrum that not only encompass economic, military and technical data but attempt to tie these data into meaningful estimates and trends applicable to the Communist countries. As noted above, much of the discussions have an impact upon national estimates; it is believed that eventually the Subcommittee will undertake some coordination of contributions to national estimates.

B. Future Program of the Subcommittee

The Subcommittee plans to continue the current program during Fiscal 1967.

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SUBCOMMITTEE ON SHIPBUILDING

Chairman: Ivar Soelberg, Navy, STIC

Executive Secretary: [REDACTED] CIA

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Agencies Represented: *State CIA
 DIA NSA
 Navy

*Member does not hold special security clearance. Meetings held at all-source level.

Meetings: Held monthly

Activities during FY 1965 and First Half FY 1966

The subcommittee promoted the discussion and evaluation of factors bearing on major intelligence problems. There was a significant increase in the value of and impact on discussions because of the inclusion of all-source material -- one of the important results has been the impact on national estimates. The subcommittee concerns itself routinely with Priority National Intelligence Objectives since meeting discussions normally bear on relevant PNIOs. Members are provided a copy of the quarterly revisions. Comment and review of substantive papers. Several specialists in the marine field spoke on subjects of special interest bring to the subcommittee's attention Western or US practice in fields that may be applicable to key intelligence problems. Participation in [REDACTED] Conferences and observers at the Naval Intelligence Conferences.

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Evaluation of the Role of the Subcommittee

The subcommittee's role has become increasingly important because of the opportunity to discuss all-source intelligence thereby providing a mechanism for discussion of a broad spectrum of shipbuilding and related intelligence. It is planned that the current program will be continued.

EIC/S

December 1965

